

A RESOLUTION BY:

RESOLUTION NO.

THE PUBLIC SAFETY AND LEGAL
ADMINISTRATION COMMITTEE

A RESOLUTION AUTHORIZING THE ACCEPTANCE OF \$325,000.00 AS FULL COMPROMISE SETTLEMENT OF THE CITY OF ATLANTA'S CLAIM FOR LOSSES SUFFERED DUE TO THE EMBEZZLEMENT OF CITY FUNDS BY FORMER EMPLOYEE, MR. JONATHAN DODD, USDOJ CASE NO.: 1:02-CR-386; COLLECTED FUNDS WILL BE DEPOSITED INTO FUND ACCOUNT, GENERAL FUND 1001, DEFAULT REVENUE DEPARTMENT 000002, RECOVERIES 3890007; AND FOR OTHER PURPOSES.

WHEREAS, Jonathan B. Dodd was employed by the City of Atlanta as the Director of the Bureau of Motor Transport Services ("BMTS"); and

WHEREAS, Jonathan Dodd used his position as the Director of BMTS to exercise control over a savings and checking account that the BMTS maintained at Wachovia Bank; and

WHEREAS, from in or about 1999 and continuing through February 2002, Jonathan Dodd embezzled money that belonged to the City of Atlanta and was convicted for same; and

WHEREAS, the District Court of Georgia ordered Mr. Dodd to pay \$446,926.00 in restitution to the City of Atlanta and to date the City of Atlanta has received \$77,883.42 in restitution including the forfeiture of a pension account; and

WHEREAS, the City of Atlanta filed a claim in December 2004 with AIG, its crime policy holder, alleging losses due to Employee Dishonesty in the amount of \$554,000.00; and

WHEREAS, the City Law Department and the City's insurance company have negotiated a full compromise settlement of \$325,000.00; and

WHEREAS, the City's Crime Policy has a \$25,000.00 deductible, as a result, the claim for loss will be fully satisfied upon receipt of \$300,000.00; and

WHEREAS, the City Attorney has determined this to be a fair and reasonable settlement of a claim and in the best interest of the City of Atlanta; and

WHEREAS, there are no other outstanding claims arising from this incident.

IT IS HEREBY RESOLVED, that the City Attorney is authorized to settle insurance claim number 165-028597-001 policy number 350-95-27 in the matter of Jonathan Dodd for the amount of Three Hundred Twenty Five Thousand Dollars (\$325,000.00).

BE IT FURTHER RESOLVED that the City of Atlanta Law Department is authorized to execute an Assignment and Release of all future claims on behalf of the City of Atlanta to National Union Fire Insurance Co of Pittsburgh and American International Group, Inc.

Legislative White Paper

Committee of Purview: Public Safety Committee

Caption

Council Meeting Date:

Legislation Title: A RESOLUTION AUTHORIZING THE ACCEPTANCE OF \$325,000.00 AS FULL COMPROMISE SETTLEMENT OF THE CITY OF ATLANTA'S CLAIM FOR LOSSES SUFFERED DUE TO THE EMBEZZLEMENT OF CITY FUNDS BY FORMER EMPLOYEE, MR. JONATHAN DODD, USDOJ CASE NO.: 1:02-CR-386; COLLECTED FUNDS WILL BE DEPOSITED INTO FUND ACCOUNT, GENERAL FUND 1001, DEFAULT REVENUE DEPARTMENT 000002, RECOVERIES 3890007; AND FOR OTHER PURPOSES.

Requesting Dept.: Law

Contract Type: N/A

Source Selection:

Bids/Proposals Due: N/A

Invitations Issued: N/A

**Number of Bids/
Proposals Received:** N/A

Bidders/Proponents: N/A

Justification Statement: The purpose of this legislation is to approve the settlement of the claim to recover monies lost to embezzlement by Jonathan Dodd, former Director of the Bureau of Motor Transport Services. The claim has settled for a total of \$325,000.00 with a City \$25,000.00 deductible.

Also, the purpose of this legislation is to authorize the City Law Department to execute an assignment and release to AIG for the claim.

Background: The former employee, Mr. Dodd was convicted in 2002 and the City filed an insurance claim for employee dishonesty in 2004. The claim has been settled and the Law Department is requesting authorization to accept the compromise settlement.

Fund Account Center: N/A

Source of Funds: N/A

Fiscal Impact: N/A

Term of Contract: N/A

Method of Cost Recovery:

Approvals:

DOF:

DOL:

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